

## U.S. SENATE COMMITTEE ON

## Commerce, Science, and Transportation

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## Statement of Senator Ernest F. Hollings Hearing on Spectrum Management June 11, 2002

I commend Senator Inouye for holding this hearing. I believe that we are at a cross roads in spectrum management. We are essentially faced with two choices – continue managing spectrum as we have in the past or develop an improved framework for addressing the increasingly complex spectrum issues that we face. I think it is incumbent on everyone, policy makers, regulators, commercial users, government users, new service providers, as well as manufacturers to engage the difficult issues facing us and work to resolve those issues in a fair and creative manner.

A thorny issue that policy makers must resolve successfully is third generation wireless service. A resolution of this issue is likely to entail upgrades in technology as well as reallocation of spectrum for this service. If we are able to resolve this issue successfully, I believe it will represent a turning point in how we manage spectrum.

Finding more spectrum for wireless carriers is important if wireless carriers are ever going to be able to implement 3G service, compete internationally, and un-tether consumers from wireline facilities. In the last 6 months of 2001, U.S. consumers used more minutes than in all of 2000 and wireless is expected to equal more than 40 percent of all U.S. telecom minutes in 2005. Carriers also are implementing new wireless mobile data applications which will become increasingly important to consumers and how we conduct commerce.

With that said, I am disappointed with the slow pace of finding spectrum for 3G service. After spectrum bands were identified for 3G service at the last World Radio Conference, President Clinton in October of 2000 directed all federal agencies to work with the FCC and the private sector to identify spectrum domestically that could be used for 3G services. Almost two years since President Clinton kicked-off the process of finding spectrum for 3G service, we are still not much closer to resolving the issue.

Now there is a new proposal on the table. NTIA along with DOD are examining whether the 1710-1770 MHz portion can be used for 3G service. I understand that communications on 16 military sites will need to be protected in the 1710-1755 MHz portion of the band and that satellite operations may need to be protected in the 1755-1770 MHz portion of the band. At the same time, the FCC is examining whether the 2110-2170 MHz band can be reallocated for 3G service.

In addition to the other issues that this hearing will address, I hope that it will provide us with a

better understanding of what it will take to resolve the issue. I understand that if DOD has to relinquish spectrum that it is currently using as well as relocate or modify its operations, it will need to be reimbursed for its costs and may need additional spectrum in which to relocate its operations. I also understand that there are some existing wireless commercial users that may be affected by efforts to find spectrum for 3G services. While both of these issues are not easy ones, we are willing to work with everyone to find a solution. While the current proposal represents a start given its potential to provide 120 MHz of spectrum it is 80 MHz short of the 200 MHz that the International Telecommunications Union concluded must be identified for 3G service by 2010.

Spectrum is undoubtedly an increasingly scare resource. In this environment, there are only a few ways to find more spectrum. Our choices are reallocating spectrum from existing users, or developing technologies that can use spectrum more efficiently or use spectrum in frequency bands that are unusable today. As we move forward, all stakeholders must be willing to explore and pursue all options. With that said, I welcome the witnesses and look forward to hearing their testimony.